GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Extension of certain incentives under Industrial Development Policy 2015-20 to M/s. K.P.R. Industries (India) Limited, to their Manufacturing unit of Caustic Soda Lye, Caustic Soda Flakes etc. with an investment of Rs. 750 Crores which is likely to create direct employment to 2500 people and indirect employment to 4000 people with a business turnover of more than 400 Crores at Balabhadrapuram Village, Biccavolu Mandal, East Godavari District – Orders- Issued.

INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O.MS.No. 144 Dated: 31-10-2016

Read the following:-

(1) G.O.Ms.No.66, Industries & Commerce (IP) Department dated 08.07.2011.
(2) G.O.Rt.No.717, Industries & Commerce (IP) Department Dated 12.12.2013.
(3) From the Managing Director, M/s. K.P.R. Industries (India) Limited, Dt: 06.07.2015.
(4) State Investment Promotion Board Meeting held on 17.11.2015.
(5) State Investment Promotion Board Meeting held on 08.07.2016.

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O R D E R

M/s K.P.R. Chemicals Limited., have earlier submitted their proposal to set up manufacturing inorganic chemicals with an investment of Rs. 602 Crore and captive power plant with an investment of Rs. 1083.58 Crore with a total investment of Rs. 1685.58 Crore. The project is likely to create employment to 1500 people directly and 3500 people indirectly.

2. Government in the G.O. 1st read above, have granted incentives to M/s K.P.R Chemicals Limited. Subsequently, M/s K.P.R Chemicals Ltd has retained the power project and demerged the chemical division to M/s KPR Industries (India) Limited which was approved by the Hon'ble High Court of Andhra Pradesh. Accordingly, Government have issued orders in the G.O. 2nd read above, modifying the orders issued in the G.O. 1st read above extending the incentives to M/s K.P.R. Industries (India) Ltd instead of M/s K.P.R. Chemicals Limited.

3. In the reference 3rd read above the M/s KPR Industries (India) Limited represented to the Government informing that their unit will face stiff competition in the market due to import of caustic soda from China at reduced price and increase in power cost and posing hurdles for project viability and requested to revise the special package of incentives offered vide reference 1st read above, for their Caustic Soda Lye, Caustic Soda Flakes etc. with an investment of Rs. 750 Crores which is likely to create direct employment to 2500 people and indirect employment to 4000 people with a business turnover of more than 400 Crores. The issues were discussed in the SIPB meeting held on 17.11.2015 and decided to defer the matter for the next meeting.

4. In the reference 5th read above, the State Investment Promotion Board (SIPB) has discussed the proposal of M/s. KPR Industries (India) Limited in detail and decided to extend the following incentives:

(i) Reimbursement of 100 % VAT&CST for a period of (7) years from the date of commencement of commercial production or upto realization of 100% fixed capital investment, whichever is earlier.

(ii) Reimbursement of power cost @Rs.1.00 per unit for a period of 7 years from the date of commencement of commercial production, as the project being 1st of its kind in Andhra Pradesh and located in backward district.

(iii) All other benefits as per Industrial Development Policy (IDP) 2015-20.

(P.T.O)

5. Government after careful examination of the recommendations of the State Investment Promotion Board and in supersession of the earlier orders issued in the G.O.s 1st and 2nd read above, hereby extend the following incentives to M/s KPR Industries (India) Limited to their Caustic Soda Lye, Caustic Soda Flakes etc. manufacturing Unit with an investment of Rs. 750 Crores which is likely to create direct employment to 2500 people and indirect employment to 4000 people with a business turnover of more than Rs. 400 Crores at Balabhadrapuram Village, Biccavolu Mandal, East Godavari District :

(i) Reimbursement of 100 % VAT & CST for a period of (7) years from the date of commencement of commercial production or upto realization of 100% fixed capital investment, whichever is earlier.

(ii) Reimbursement of power cost @Rs.1.00 per unit for a period of 7 years from the date of commencement of commercial production, as the project being 1st of its kind in AP and located in backward district.

(iii) All other benefits as per Industrial Development Policy (IDP) 2015-20.

6. The Director of Industries, Andhra Pradesh, Hyderabad shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Director of Industries, Andhra Pradesh, Hyderabad.
M/s KPR Industries (India) Limited through the DOI, A.P. Hyderabad.
Copy to:
The Finance (FMU-Rev.IC)Department
The Revenue (CT) Department.
The Revenue (Registration) Department.
The Law (H) Department.
The Accountant General, Andhra Pradesh, Hyderabad .
The Commissioner of Commercial Taxes, Vijayawada.
The Vice Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation, Vijayawada.
The Collector & District Magistrate, East Godavari District.
The General Manager, District Industries, Centre, East Godavari District.
The Zonal Manager, Andhra Pradesh Industrial Infrastructure Corporation, East Godavari District.
P.S. to Secretary to Chief Minister.
P.S. to Chief Secretary to Government.
P.S. to Prl. Secretary to Government & CIP, Industries & Commerce Department.
SC/SF.

//FORWARDED :: BY ORDER//

SECTION OFFICER